

MINUTES OF THE FINANCE AND GENERAL PURPOSES COMMITTEE HELD ON 15TH JANUARY, 2019

Present: Councillors Mrs S Forster, (Chair) and R Arthur, E Bell, S P Colborn, G N Hepworth, D McKenna, Mrs S Pratt, K Shaw, B Taylor, Miss L Willis.

Apologies: Councillors Mrs B E Allen, Mrs J A Bell, Mrs G Bleasdale, Mrs K Brace, S Cudlip, D Cummings, Mrs V Cummings, Ms R M Gratton, Mrs L Kennedy, T Shepherd.

Officers: Mrs D Rickaby (Town Clerk) Mrs J Knight (Finance Officer) Ms A Rountree (Minute Taker).

Prior to commencement of the meeting the Chair advised members of this Committee and members of the public that in line with the amendment to 'the public bodies (admission to meetings) act 1960', which came into force in August, 2014, parts of this meeting may be recorded by photographic, video and audio means.

1. DISCLOSURE OF INTERESTS

Members were reminded prior to the start of the meeting of the need to disclose any interests, prejudicial or personal, in accordance with the Code of Conduct.

2. MINUTES OF THE LAST MEETING HELD ON 27th NOVEMBER, 2018

RECOMMENDED the Minutes of this meeting, a copy of which had been previously printed and circulated to each Member, be approved and signed as a correct record by the Chairman.

3. PAYSHEET NUMBER 9 – DECEMBER 2018/19

a) Expenditure – December 2018

RECOMMENDED:

- (i) that all payments in Paysheet Number 9 – 2018/19 be approved, it being noted that the direct debits, Bacs, Online and Debit Card payments including Imprest expenditure amount to £100,053.37 being the total sum authorised under this Paysheet;
- (ii) that the BACS authorisation sheet be signed by three Members and the credit transfers be actioned immediately; an
- (iii) that the Clerk's Imprest Account be reimbursed the sum of £3,583.35 for Civic Expenditure and authority be granted for this to be signed by the Chairman and Responsible Financial Officer.

b) Income – December 2018

RECOMMENDED the summary sheet showing the range of income received by the Council during the current month be accepted.

c) Bank Balances – December 2018

RECOMMENDED the report of the Finance Officer a copy of which was circulated, be approved.

4. DISCOUNTS FROM SUPPLIERS

The Finance Officer is undertaking a full analysis of all suppliers used, including prices charged and discounts received to ensure the Town Council is receiving value for money.

RECOMMENDED that Members note the information.

5. AUDIT REPORTS

a) Internal Audit Report – Main Accounting – Full Assurance

RECOMMENDED that Members accept the report.

b) Internal Audit Report – Risk Management Arrangements – Substantial Assurance

RECOMMENDED that Members accept the report.

c) Internal Audit Work Planned for January – March 2019

RECOMMENDED that Members accept the report.

6. BUDGET SUB-COMMITTEE

A Member raised the issue of the street lighting at George Elmy Lifeboat Way and questioned whether there had been any progress made. The Town Clerk stated that she had requested a scheme of works for the whole of the lighting in Seaham and there had been a reply to say there are no other schemes planned. This statement may not be factually correct from Durham County Council. Regarding the costs Durham County Council are not prepared to move on the costs of the lighting and for this to be paid over the 10 year term. Durham still want the large capital costs paying upfront and then a maintenance agreement which is to be paid yearly over 10 years.

A Member stated that it was agreed by Seaham Town Council to pay for the lights, however there has been two different versions of how this was going to be paid and the Town Council were looking to have this split over the 10 years but Durham County Council are saying this money has to be paid upfront. The Member

questioned how the Town Council are going to pay for this as this wasn't in the original budget and whether this would be taken from Council reserves.

The Town Clerk stated that she felt she would need to speak to someone on a higher level in Durham County Council as the only option she is receiving from the Officer who has been dealing with this is to pay the full capital amount upfront and maintenance annually.

A County Councillor stated that it was never about whether there were other schemes and whether they would come to Seaham Town Council and ask them to pay for it. It was due to Members in this Chamber deciding that due to public safety that the lights at George Elmy Lifeboat Way couldn't be taken away and it was agreed to enter into a Service Level Agreement with Durham County Council to continue to provide the lighting. However, during the term of the negotiation process 2 of the lamp posts fell down in the high winds which necessitated DCC to remove all of the light posts for safety issues. The scheme then had to be funded up front so it wasn't just a case of taking over the funding for the existing lights DCC had to go to the cost of replacing the light posts if they were required by Seaham Town Council. Some time ago the Deputy Town Clerk had gone into negotiation with DCC to find out if there was a facility whereby this could be paid for over a 10 year period. The whole purpose of the lights being taken away was due to the reduction in the carbon footprint and also a reduction in costs for DCC as this is happening across the whole County. Where there is no legal requirement for lights to be insitu which is outside of 30mph zones lights are being taken away. This is impacting on all towns and parishes across the whole country. There is no scheme for Seaham Town Council to pay over 10 years as the County Council don't have this in their budget. Another Member stated that this wasn't what Members were told at the time. Members agreed to pay over a 10 year period. Another Member stated that the Service Level Agreement is over a 10 year time period and the question was asked whether the Town Council could pay for it over the 10 years and what clearly came back at the time was that the whole purpose of removing the lights was for not just the carbon reduction but for the County Council to meet its medium term financial plan so that money has already been taken out of the budget so if Seaham Town Council ask to pay over 10 years how are the County Council going to balance its books because that money has already been taken away. This would in effect be Seaham Town Council asking for a loan from DCC for money that doesn't exist that is why the upfront costs have to be met.

A Member questioned whether DCC could use their reserve fund if Seaham Town Council want to pay over 10 years. A County Councillor stated that the reserve fund is not to be used to continue paying for services that have to be taken away. A Member stated that Seaham Town Council are still willing to pay for the service over a period of time if they can get the agreement. A County Councillor stated that there isn't an agreement to get because the budget facility for this doesn't exist.

A Member suggested that this should be left with the Town Clerk to look into further and then she can report back to the next meeting.

A Member stated that he felt there had been a misinterpretation and that Seaham Town Council had thought it was going to be able to pay the £35k over a 10 year period which is not the case.

Members agreed that the Town Clerk should make further enquiries and if Seaham Town Council have to pay upfront then they will have to pay the £35k.

RECOMMENDED that the Town Clerk makes further enquiries regarding payment terms for the continuation of the street lighting at George Elmy Lifeboat Way and Members agreed that following enquiries the Service Level Agreement should be entered into.

7. BUDGET FOR 2019/2020

The budget has previously been discussed and approved by the Budget Sub-Committee and has been brought to this meeting for approval by all Members.

Councillor Colborn questioned when the photocopiers are due for re-negotiation. The Finance Officer stated that this was due this year and arrangements are being made to speak to someone about prices.

RECOMMENDED that the budget for 2019/20 be accepted.

8. THE PRECEPT

The Town Clerk stated that it has been confirmed by the National Association of Local Councils that the council tax referendum principles will not be extended to parish councils. This means for the financial year 2019/20 the Council is free to set the level of precept without any referendum implications. It was noted that this may not be the case for next year and this may be capped and Members were asked to be mindful of this.

The Budget Sub-Committee has approved to increase the precept by 2%.

RECOMMENDED that Members approve the 2% precept increase.

9. PRESS OPPORTUNITIES

RECOMMENDED that there are no press opportunities from this meeting.